



# Committee On Finance

Max Baucus, Ranking Member

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## NEWS RELEASE

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### **BAUCUS WELCOMES CONCLUSION OF IRS INVESTIGATION OF NAACP** *Senator had warned against political motivations for probe that began in 2004*

*Washington, DC* - U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, today applauded news that the Internal Revenue Service (IRS) has ended a multi-year investigation of the NAACP for possible violations of the organization's tax-exempt status. When the NAACP audit was announced in 2004, Baucus sent a letter to the IRS expressing concern that the probe was launched purely in response to comments made by NAACP President Julian Bond, who had criticized a number of the policies of President George W. Bush. NAACP leaders announced today that after nearly two years, the IRS has ended its investigation and found that the organization had not, in fact, violated its tax-exempt status.

**“Americans don’t give up their rights to free speech when they go to work for tax-exempt organizations. On the contrary, many 501(c)(3) groups speak out about injustice and criticize their government as an integral and appropriate part of their missions,”** said Baucus. **“The American public expects and deserves a high degree of non-partisanship and professionalism from the IRS, and I’m still not certain that this investigation, launched immediately before the 2004 presidential election, met those standards.”**

In his 2004 letter to the IRS, Baucus asked whether the IRS was expanding the prohibition on overt political activity by 501(c)(3) organizations to include statements critical of government policies, and also asked whether the IRS was auditing organizations critical of U.S. Senator John Kerry (D-Mass.), then the Democratic presidential nominee. The IRS responded with its criteria for launching such investigations, and said that it was auditing 60 tax-exempt organizations with “a wide range of viewpoints” at that time. This correspondence can be found at <http://finance.senate.gov/sitepages/baucus.htm>.

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